



GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO
MINISTRY OF TRADE AND INDUSTRY

Rotary Club – Port of Spain West

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REMARKS
SENATOR THE HONOURABLE PAULA GOPEE-SCOON
MINISTER OF TRADE AND INDUSTRY

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18 MAY 2016
CASCADIA HOTEL, ST ANN'S



Good afternoon to you all!

I would first like to express my gratitude to the Rotary Club for allowing me this opportunity to speak with you today.

The Rotary Club, however, is unique because it comprises business and professional leaders with like goals and ideals, but all towards distinctly humanitarian objectives. This opportunity also allows me to share with you some of the main projects and initiatives of the Ministry of Trade and Industry which are geared at improving trade and business opportunities in the country, which in tandem with the work of the Rotary Club, can improve the economic and social well-being of our citizens.

Your institution has preserved its guiding principles since its inception in Chicago, USA in 1905 and has weathered economic downturns and political changes across time, countries and cultures. This is a testament to its institutional strength which is necessary to provide the inspiration and camaraderie needed to overcome our current social and economic challenges.

I will now outline a few initiatives by Government that seek to create space for growth and development in the face of weak commodity prices, and also which moves us more to a more diversified, resilient and competitive economy, that attracts and retains the best talent and investments, here and abroad.

DIVERSIFICATION

The word “diversification” has been bandied about for decades and though there is still much left to be done, we do not have the luxury of choice. Energy prices may, as well as may not, dip lower, but the days of high oil and gas prices might just be a thing of the past. Just over a week ago the Kingdom of Saudi Arabia officially announce its Vision 2030 aimed at diversification and overhauling its economic structure. It remains as fact that our national economy still relies too heavily on oil and gas (45% of GDP), and therefore there is the need to expand the other sectors through which goods and services are provided.

Our transformation strategy focuses on strategic sectors including the manufacturing sector, international financial services, tourism, agro-processing, ICT, as well as maritime services, and to a lesser extend the creative industries. We have targeted specific sectors, looking not only at areas for which we have a competitive advantage, but areas that are dynamic and which we expect to become major employers in the years and decades to come. I urge you all to seek the opportunities available in these areas and understand the risk and rewards associated with them.

In the Maritime area, we have recently conducted extensive discussions with all the major stakeholders and have prepared an Action Plan to create new opportunities in this sector. We see expansion in the areas of Ship Repair and Dry Docking, Bunkering, and Transshipment services, Cold Stacking, Marina Development and further port development. We will look at Special Economic Zones to facilitate maritime investments among others. In the long run, measures will be put in place to ensure that we encourage and attract new, high-quality large investments in the maritime sector.

In the area of Agriculture, the Government will focus on increasing local production, establishing new economic infrastructure and will continue to provide generous tax incentives for agro-processing.

Though the focus of the Ministry of Trade and Industry is non-energy products and services, there will

always be an advantage in energy and energy services which we must exploit. The official visit to Ghana last week by the Honourable Prime Minister has facilitated the growth potential for Trinidad and Tobago to provide manpower and expertise to Ghana so that it may develop its own domestic energy industry. Other areas of similar interests would be Guyana and Suriname, even the Barbados.

So we are looking beyond our shores and across the region for opportunities in which to sell our products and services. While there is inherent risk in penetrating new markets, the private sector needs to appreciate the need to expand its opportunities and create new niches in new and unexpected places.

EXPANDING MARKET ACCESS/MANUFACTURING SECTOR

This Government recognizes the importance of local manufacturers and service providers being able to penetrate markets within and outside CARICOM. Quite simply, more exports mean more jobs which as we know, is needed more than ever in these challenging economic circumstances. We are currently focusing on markets in Guyana, Suriname, the European Union, Central America, Dominican Republic, Haiti and Cuba. With respect to the latter, we plan to operationalize a Line of Credit which will encourage local manufacturers to export more to Cuba by overcoming credit risks. We will also pursue the Panama Partial Scope Agreement. We are looking actively at the Chilean market. There are a host of opportunities in the manufacturing sector.

ATTRACTING INVESTMENT

The MTI is in the final stages of developing a new Special Economic Zones Policy for Trinidad and Tobago which is geared at increasing and diversifying exports and foreign investments, enhancing private sector participation in the economy and facilitating economic development across all regions of the country.

At the regional level, the government is considering, with other CARICOM countries, the approval of a Regional Investment Promotion Strategy (RIPS). Only last week, I had the opportunity to discuss with other regional leaders the Regional Strategy which will seek to draw foreign investment into the region, some of which will ultimately filter into Trinidad and Tobago. However, while working with our regional neighbors in creating an attractive investment destination, we are also competing with them. Therefore, we must be ready and able to facilitate investors that will benefit our economy, especially in those sectors necessary to create growth and employment.

COMPETITIVENESS

Before Trinidad and Tobago can successfully diversify, we must be competitive – and Trinidad and Tobago has much to do to compete at the global level. We are ranked 89th out of 140 countries according to the World Economic Forum's 2015-2016 Global Competitiveness Index (GCI), just beating out countries such as Cambodia, Cote d'Ivoire and Tunisia. The most problematic factors for doing business in Trinidad and Tobago according to the 2015-2016 GCI include: poor work ethic in labour force; corruption; inefficient government bureaucracy; and crime and theft. For far too long we have been complicit, in creating and promulgating these problems. At the foundation of competitiveness is productivity and the importance of producing more in terms of quality and quantity, with less.

Education and training – at all levels – are essential to improving the work ethic. To tackle work ethic, the Government will continue to institute programmes that exploit the talent and build the skills and knowledge of our people, as well as provide opportunities for training and recruitment of new graduates and those now entering the labour force.

MAKING BUSINESS EASIER

Even before we speak of external markets and trade, we must consider the cost and ease of doing business locally – in other words, what does it take to start and operate a business in Trinidad and Tobago. Trinidad and Tobago is ranked 88th out of 189 economies in the most recent 2016 Doing Business (DB) Report (which reflects 2015 data).

Bureaucracy and costly procedures continue to inhibit investment and business activities in the country, with reforms being recorded in one indicator. This is a priority for the Government.

The Ministry of Trade will lead the charge and prioritize specific improvements in strategic indicators, such as Dealing with Construction Permits, Trading across Borders and Getting Credit, so that Trinidad and Tobago becomes a place in which entrepreneurs and innovation can be facilitated and encouraged. The Government's most effective weapon in cutting red tape is TTBizLink, which provides a secure, user friendly IT platform that gives the user access to trade and business services online anytime, anywhere in the world once connected to the internet. TTBizLink now provides (from end-to-end) forty six (46) e-government services across twenty five (25) government departments in ten (10) ministries.

As a priority – two areas will be tackled, i.e. the legal framework and business process re-engineering.

I urge you all to take the time to understand how this platform can assist you and improve the way you do business.

CONCLUSION

This is not an easy time—for any of us. However, it is a time for us to reflect on what we do, how we do it and who is affected. The Rotary Club, more than any other institutions, understands the link between economic depression and social strife.

As Minister of Trade and Industry, I understand the difficulties faced by the private sector and the need to create and implement policies and plans that create employment and foster confidence.

I urge you to understand your role in society, not only as members of the Rotary, but also as employers, stalwarts and leaders who have critical roles in ensuring our economic recovery.

I thank you.